

Building Fund Advisory Council

Analyst: Freeman

Historical Summary

OPERATING BUDGET	FY 2007 Total App	FY 2007 Actual	FY 2008 Approp	FY 2009 Request	FY 2009 Gov Rec
BY FUND CATEGORY					
Dedicated	77,197,800	24,380,500	137,974,000	48,593,900	130,965,800
Percent Change:		(68.4%)	465.9%	(64.8%)	(5.1%)
BY OBJECT OF EXPENDITURE					
Capital Outlay	77,197,800	24,380,500	137,974,000	48,593,900	130,965,800

Division Description

The Building Fund Advisory Council budget includes construction and maintenance costs for state buildings, including those at the universities and community colleges, funded from the Permanent Building Fund. The process is under the direction of the Permanent Building Fund Advisory Council (PBFAC), which is appointed by and serves at the pleasure of the Governor. The council is composed of a member from the Senate, a member from the House of Representatives, a contractor, a banker, and a person from the business community. Throughout the year, the council reviews and must give approval to all planning, design and construction of state public works projects.

There are seven statutory sources of revenue that are dedicated to the Permanent Building Fund. In addition, the Legislature occasionally appropriates General Funds into the Permanent Building Fund.

An additional tax (colloquially called the "head tax") is required when filing an income tax return. Every person and corporation required to file a return pays a tax of ten dollars (§63-3082, Idaho Code), which is credited to the Permanent Building Fund (§57-1110, Idaho Code).

Five million dollars per year is continuously appropriated and set aside from the Sales Tax Fund to the Permanent Building Fund (§63-3638, Idaho Code).

Cigarette tax collections are based on a rate of 57¢ per package of 20 cigarettes. The revenue from this tax is distributed as follows. The Public School Income Fund (PSIF) and Department of Juvenile Corrections each both receive 5.1746 cents per pack. The remaining amount per pack is distributed as follows: the Permanent Building Fund receives 17.3%; the Central Tumor Registry Fund receives 0.4% (to a maximum of the legislative appropriation); the Cancer Control Fund receives 1%; the General Fund receives an amount equal to the appropriation for the Bond Levy Equalization Program. All remaining revenues flow to the Permanent Building Fund to be used to repair, remodel, and restore the Capitol and related facilities. (§63-2520, Idaho Code)

A tax of \$4.65 per barrel of 31 gallons, and a like rate for any other quantity or fraction thereof, is levied and imposed upon each and every barrel of beer sold for use within the State of Idaho. Thirty-three percent of the proceeds are deposited directly to the Permanent Building Fund (§23-1008, Idaho Code).

One-half of state lottery earnings are distributed to the permanent building fund (§67-7434, Idaho Code).

The Permanent Building Fund retains the interest earnings from its funds that are invested by the State Treasurer (§57-1108, Idaho Code).

Building Fund Advisory Council

Agency Profile

Analyst: Freeman

FY 2009 Permanent Building Fund Comparison			
	Agency Request	PBFAC Recommend	Governor's Recommend
REVENUE			
Beginning Balance	\$ 9,557,500	\$ 9,557,500	\$ 9,557,500
Income Tax Filing Fee - \$10 Head Tax	\$ 6,477,000	\$ 6,477,000	\$ 6,477,000
Cigarette Tax (43.3% of net collections)	\$ 6,423,400	\$ 6,423,400	\$ 6,423,400
Beer Tax (33% of net collections)	\$ 1,558,700	\$ 1,558,700	\$ 1,558,700
Sales Tax (fixed amount)	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Lottery Dividends	\$ 17,250,000	\$ 17,250,000	\$ 17,250,000
Capitol Mall Parking Receipts	\$ 120,000	\$ 120,000	\$ 120,000
Budget Stabilization Fund Interest	\$ 7,382,800	\$ 7,382,800	\$ 6,679,700
Permanent Building Fund Interest	\$ 8,979,900	\$ 8,979,900	\$ 8,124,600
Transfer for Elected Officials' Rent	\$ (1,830,000)	\$ (1,830,000)	\$ (1,830,000)
Transfer from General Fund			\$ 23,847,600
Transfer from Economic Recovery Fund			\$ 60,000,000
TOTAL REVENUE	\$ 51,361,800	\$ 51,361,800	\$ 133,651,000
TOTAL FUNDS AVAILABLE	\$ 60,919,300	\$ 60,919,300	\$ 143,208,500
EXPENDITURES			
Dept of Administration Operating Budget:			
Division of Public Works	\$ (2,447,500)	\$ (2,477,400)	\$ (2,525,900)
Bond Payments	\$ (9,822,400)	\$ (9,822,400)	\$ (9,716,800)
Sub-total Admin Operating Budget	\$ (12,269,900)	\$ (12,299,800)	\$ (12,242,700)
Remaining Available Revenue:	\$ 48,649,400	\$ 48,619,500	\$ 130,965,800
Alteration, Maintenance & Repair Projects:			
Alteration & Repair	\$ 80,945,300	\$ 19,803,000	\$ 27,962,900
ADA Compliance	\$ 3,455,500	\$ 1,200,000	\$ 1,200,000
Asbestos Abatement	\$ 581,000	\$ 675,000	\$ 675,000
Demolition Projects	\$ 1,538,600	\$ 525,000	\$ 525,000
Capitol Mall Maintenance		\$ 120,000	\$ 120,000
Sub-total Alterations & Repairs	\$ 86,520,400	\$ 22,323,000	\$ 30,482,900
Capital Construction Projects:			
1. CORR: ICC 76-Bed Expansion	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
2. BSU: CESED Building	\$ 15,000,000	\$ 10,000,000	\$ 10,000,000
3. ISU: Meridian Building	\$ 5,175,000	\$ 5,175,000	\$ 5,175,000
4. UI: N. Idaho Classroom Building	\$ 420,800	\$ 420,800	\$ 420,800
5. ISHS: Museum Expansion	\$ 10,000,000	\$ 5,000,000	\$ 5,000,000
6. MIL: Renovated Armory, Caldwell	\$ 749,500	\$ 749,500	\$ 749,500
7. PARKS: Admin. Center - Bear Lake	\$ 750,000	\$ 750,000	\$ 750,000
8. COURTS: Law & Learning Center	\$ 175,000	\$ 175,600	\$ 175,600
9. H&W: State School & Hospital	\$ -	\$ -	\$ 3,252,000
10. VET SERV: Headquarters Building	\$ 1,600,000	\$ -	\$ 960,000
11. CORR: Secure Mental Health	\$ 63,200,000	\$ -	\$ 70,000,000
All Other Capital Requests	\$ 107,734,600	\$ -	\$ -
Sub-total Capital Projects	\$ 208,804,900	\$ 26,270,900	\$ 100,482,900
TOTAL (Alt. & Rep./Capital Projects)	\$ 295,325,300	\$ 48,593,900	\$ 130,965,800
Ending Balance		\$ 25,600	\$ -

Note: The Capitol restoration and expansion is not included in this table.

Building Fund Advisory Council

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	0.00	0	137,974,000	0.00	0	137,974,000
Reappropriation	0.00	0	59,377,200	0.00	0	59,377,200
FY 2008 Total Appropriation	0.00	0	197,351,200	0.00	0	197,351,200
Removal of One-Time Expenditures	0.00	0	(197,351,200)	0.00	0	(197,351,200)
FY 2009 Base	0.00	0	0	0.00	0	0
Alterations & Repairs	0.00	0	22,323,000	0.00	0	30,482,900
FY 2009 Program Maintenance	0.00	0	22,323,000	0.00	0	30,482,900
1. Complete ICC 76 Bed Expansion	0.00	0	4,000,000	0.00	0	4,000,000
2. Ctr. for Envtl. Studies & Econ. Dev.	0.00	0	10,000,000	0.00	0	10,000,000
3. Phase 2, Remodel ISU-Meridian Bldg	0.00	0	5,175,000	0.00	0	5,175,000
4. N. Idaho Classroom/Office Facility	0.00	0	420,800	0.00	0	420,800
5. Museum Expansion/Renovation	0.00	0	5,000,000	0.00	0	5,000,000
6. Caldwell Armory	0.00	0	749,500	0.00	0	749,500
7. Administrative Center	0.00	0	750,000	0.00	0	750,000
8. Law Learning Center	0.00	0	175,600	0.00	0	175,600
9. Gov's Initiative: State School & Hospital	0.00	0	0	0.00	0	3,252,000
10. Gov's Initiative: Headquarters Bldg	0.00	0	0	0.00	0	960,000
11. Gov's Initiative: Secure Mental Health	0.00	0	0	0.00	0	70,000,000
12. Transfer Funds to PBF	0.00	0	0	0.00	23,847,600	83,847,600
Revenue Adjustment	0.00	0	0	0.00	(23,847,600)	(83,847,600)
FY 2009 Total	0.00	0	48,593,900	0.00	0	130,965,800
Change from Original Appropriation	0.00	0	(89,380,100)	0.00	0	(7,008,200)
% Change from Original Appropriation			(64.8%)			(5.1%)

Building Fund Advisory Council

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	0.00	0	137,974,000	0	137,974,000

Reappropriation

Reappropriation authority, also known as carryover, allows unspent funds from the prior fiscal year to be carried over and spent in the current fiscal year. Those moneys are then removed as one-time expenditures before calculating the next year's base. Carryover requires specific legislative authorization and must be approved every year.

Agency Request	0.00	0	59,377,200	0	59,377,200
Governor's Recommendation	0.00	0	59,377,200	0	59,377,200

FY 2008 Total Appropriation					
Agency Request	0.00	0	197,351,200	0	197,351,200
Governor's Recommendation	0.00	0	197,351,200	0	197,351,200

Removal of One-Time Expenditures

Reflects the removal of spending authority accumulated from this and prior years' appropriations to restore the base to zero.

Agency Request	0.00	0	(197,351,200)	0	(197,351,200)
Governor's Recommendation	0.00	0	(197,351,200)	0	(197,351,200)

FY 2009 Base					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

Alterations & Repairs

After reviewing requests from all state government agencies and entities for maintenance projects, the Advisory Council recommends funding based on projected revenues. The Advisory Council recommends \$19,803,000 of the \$80,945,300 in non-agency funded projects requested for alteration and repair of state buildings and facilities. The Council also recommends \$1,200,000 of the \$3,455,500 requested for ADA compliance, \$675,000 of the \$581,000 requested for asbestos abatement projects, \$525,000 of the \$1,538,600 requested for demolition projects, and \$120,000 for capitol mall parking.

Agency Request	0.00	0	22,323,000	0	22,323,000
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In addition to the projects recommended by the Permanent Building Fund Advisory Council (PBFAC), the Governor recommends \$8,159,900 in additional funding for alteration and repair projects, to be identified by the PBFAC according to those of highest priority.

Governor's Recommendation	0.00	0	30,482,900	0	30,482,900
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FY 2009 Program Maintenance					
Agency Request	0.00	0	22,323,000	0	22,323,000
Governor's Recommendation	0.00	0	30,482,900	0	30,482,900

1. Complete ICC 76 Bed Expansion

Corrections

In FY 2007, the Department of Correction (DOC) received \$16 million to construct a 300 bed expansion to the Idaho Correctional Center (ICC). Due to anticipated construction cost increases, the Legislature approved a \$1.3 million supplemental appropriation for the project in FY 2008. After completion of initial design, the contractor notified the Division of Public Works in June 2007 that project funding was insufficient to construct the 300 bed unit due to construction cost inflation. Funding was only sufficient for construction of 248 beds. This would provide one-time funding to complete and increase the build-out of this expansion by adding a 76 bed wing for a total of 324 beds.

Agency Request	0.00	0	4,000,000	0	4,000,000
Governor's Recommendation	0.00	0	4,000,000	0	4,000,000

2. Ctr. for Envtl. Studies & Econ. Dev.

BSU

This would provide one-time funding for the construction of a 70,500 (Gross Square Feet) GSF Center for Environmental Studies and Economic Development (CESD) academic building at BSU. This facility would house geological science and civil engineering classrooms and laboratories; as well as office and work areas for geosciences, civil engineering, public policy & administration, and political science. Total estimated cost is \$35,000,000. Others sources of construction funds include federal funds and student revenue bonds.

Agency Request	0.00	0	10,000,000	0	10,000,000
Governor's Recommendation	0.00	0	10,000,000	0	10,000,000

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Phase 2, Remodel ISU-Meridian Bldg					ISU
This would provide one-time funding to remodel 40,000 GSF of unfinished space in the newly acquired ISU - Meridian building (former Jabil Circuit building). This space will be completed to support classroom, laboratory and office space. Major components of HVAC and electrical systems already exist and will be used in the new space. A second floor will be installed in the new space, with the current second floor being shelled out for future use.					
Agency Request	0.00	0	5,175,000	0	5,175,000
Governor's Recommendation	0.00	0	5,175,000	0	5,175,000
4. N. Idaho Classroom/Office Facility					UI
This would provide one-time funding for planning and pre-design work of a 32,000 GSF facility in the Coeur d'Alene area housing classrooms and faculty and staff offices. The University of Idaho (UI), in collaboration with North Idaho College (NIC) and the City of Coeur d'Alene envision the creation of an "education corridor" near NIC. Currently, UI leases facilities from the City of Coeur d'Alene nearby the North Idaho College campus as a part of the North Idaho Center for Higher Education (NICHE). The preliminary cost estimate for the proposed building is \$8 million.					
Agency Request	0.00	0	420,800	0	420,800
Governor's Recommendation	0.00	0	420,800	0	420,800
5. Museum Expansion/Renovation					Historical Society
This would provide one-time funding for the expansion and renovation of the Idaho State Historical Museum. This project would expand the existing 29,000 Square Feet (SF) facility by an additional 40,000 SF. The current cost estimate (as of July 2007) for new construction and remodeling is \$14.8 million. ISHS requested \$10 million from the PBF and pledged to conduct a capital campaign to raise the money needed to fund the difference. However, since it is anticipated that it will take at least a year for the capital campaign to reach its goal, the Council voted to recommend \$5 million in FY09 with the intent of recommending an additional \$5 million in FY10 at which time there would be sufficient funds for the project.					
Agency Request	0.00	0	5,000,000	0	5,000,000
Governor's Recommendation	0.00	0	5,000,000	0	5,000,000
6. Caldwell Armory					Military
This would provide one-time funding for a major renovation of the Caldwell Armory including: complete interior renovation, roof replacement, data cabling upgrade, electrical, plumbing and HVAC upgrade, keyless entry, ADA, energy efficiency, etc. Project funding is matched dollar-for-dollar by the federal government.					
Agency Request	0.00	0	749,500	0	749,500
Governor's Recommendation	0.00	0	749,500	0	749,500
7. Administrative Center					Parks & Recreation
This would provide one-time funding for the construction of a 2,500 SF park administrative center at Bear Lake State Park. Total project costs are \$850,000. The agency has pledged \$100,000 of its waterways improvement funds toward this project. Currently, the agency leases two facilities: the park office is located inside the Oregon Trail Museum in Montpelier, 20 miles from the park; and the park shop is located 10 miles from the park in Paris. The proposed site for the new facility is in St. Charles which would be approximately 1 mile from the park. The annual office and shop space lease dollars will be redirected into operating costs of the administrative facility. Operating costs for the site will also be offset by savings in transportation costs to and from the leased office space.					
Agency Request	0.00	0	750,000	0	750,000
Governor's Recommendation	0.00	0	750,000	0	750,000
8. Law Learning Center					Supreme Court
This would provide one-time funding for planning of a 79,125 GSF building which would house the state law library, several large instruction/meeting spaces, and space for University of Idaho law school programs. Estimated construction cost of this building is \$29,758,600.					
Agency Request	0.00	0	175,600	0	175,600
Governor's Recommendation	0.00	0	175,600	0	175,600

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
9. Gov's Initiative: State School & Hospital					Health & Welfare
Agency Request	0.00	0	0	0	0
<i>The Governor recommends funding for the restructuring of the facility at the Idaho State School and Hospital (ISSH). Housing will be constructed for approximately 16 clients currently residing at ISSH and the renovation and conversion of one existing building on the ISSH campus for psychiatric inpatient services.</i>					
Governor's Recommendation	0.00	0	3,252,000	0	3,252,000
10. Gov's Initiative: Headquarters Bldg					Veteran's Services
Agency Request	0.00	0	0	0	0
<i>The Governor recommends funding to construct additional space at the Division of Veteran's Services headquarters to accommodate a new physical therapy unit. Expanded therapy services are necessary to meet Medicare requirements and to provide additional space for administrative staff.</i>					
Governor's Recommendation	0.00	0	960,000	0	960,000
11. Gov's Initiative: Secure Mental Health					Dept. of Correction
Agency Request	0.00	0	0	0	0
<i>The Governor recommends funding a 300 bed secure mental health treatment facility. Funding would create an appropriate facility to meet the needs of the Department of Correction and Department of Health & Welfare. The facility would provide care for males and females who have either been civilly committed (and considered "dangerously mentally ill") or have been committed to the custody of the Department of Correction.</i>					
Governor's Recommendation	0.00	0	70,000,000	0	70,000,000
12. Transfer Funds to PBF					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a one-time transfer of General Funds to the Permanent Building Fund to be used for alteration and repair projects and line items 9-11. In addition, the Governor recommends a transfer of \$60 million from the Economic Recovery Reserve Fund to the Permanent Building Fund to partially fund line item 11, in accordance with H330.</i>					
Governor's Recommendation	0.00	23,847,600	60,000,000	0	83,847,600
Revenue Adjustment					
Agency Request	0.00	0	0	0	0
<i>Reflects transfer from General Fund and Economic Recovery Reserve Fund to the Permanent Building Fund.</i>					
Governor's Recommendation	0.00	(23,847,600)	(60,000,000)	0	(83,847,600)
FY 2009 Total					
Agency Request	0.00	0	48,593,900	0	48,593,900
Governor's Recommendation	0.00	0	130,965,800	0	130,965,800
Agency Request					
Change from Original App	0.00	0	(89,380,100)	0	(89,380,100)
% Change from Original App			(64.8%)		(64.8%)
Governor's Recommendation					
Change from Original App	0.00	0	(7,008,200)	0	(7,008,200)
% Change from Original App			(5.1%)		(5.1%)